Tourist resorts in NE Region

*591. DR. ARUN KUMAR SARMA: Will the Minister of TOURISM AND CULTURE be pleased to state:

(a) the State-wise tourism programmes implemented in the NER with Central funding during the Ninth Five Year Plan indicating allocation, utilization and achievement;

(b) the programmes planned for the Tenth Five Year Plan; and

(c) the details of programmes and procedure finalized to attract private investment for developing tourist resorts in the NER and achievements made so far?

THE MINISTER OF TOURISM AND CULTURE (SHRI JAGMOHAN): (a) The Department of Tourism, Government of India sanctioned 381 projects amounting to Rs. 83.15 crores during 9th Plan for the North East Region including Sikkim for development and promotion of tourism. The State-wise break-up is as follows:

(Rs. in lakhs)

Sr	State	No. of projects sanctioned	Amount sactioned	Amount Released	No. of projects Complete	No. of projects incomplete
1.	Arunachal Pradesh	45	997.28	392.98	1	44
2.	Assam	65	1800.03	737.69	7	58
3.	Manipur	41	1338.36	403.27	1	40
4.	Meghalaya	25	440.36	135.36	0	25
5.	Mizoram	46	1025.46	710.91	1	45
6.	Nagaland	42	834.31	527.34	11	31
7.	Tripura	42	1084.28	614.09	4	38
8.	Sikkim	75	794.69	390.70	7	68
	TOTAL	381	8314.7	3912.34	32	349

Apart from the above, an amount of Rs. 89.96 lakhs was sanctioned for a major promotion campaign launched during 2001-02 for NE Region for promotion of tourism. Besides, an amount of Rs. 4.07 crores was sanctioned for purchase of equipments and construction of Institute of Hotel Management (IHM) Building at Guwahati and also an amount of Rs. 4.00 crores was sanctioned for construction of IHM building at Shillong.

(b) The Planning Commission has approved an amount of Rs. 2900 crores tor Tenth Five Year Plan for the Department of Tourism for development and promotion of tourism in the country. The new schemes introduced during Annual Plan 2002-03 are:—

1. Integrated development of tourist circuits,
2. Product/Infrastructure and Destination Development,
3. Assistance for large Revenue generating projects,
4. Capacity Building for Service providers.

(c) The Government have offered following incentives to attract private investment in the country including NE Region:

- Interest subsidy of 3% on loans taken from financial institutions is available to 1 to 3 star categories of hotel projects outside the metropolitan cities of Mumbai, Kolkata, Delhi and Chennai. A subsidy of 5% is available to such hotel projects if they are located in the Travel Circuits and Destinations.
- Disparities between 80HHC and 80 HHD removed : Under Section 80HHC the exemption is for 100% of the total foreign exchange earnings. But for hotels under 80 HHD it was 50% and the balance 50% was exempted if it was kept in a reserve and used for specified purposes. Now this disparity stands removed. Also the phasing out of the benefits was inferior for hotel industry as compared to the units under Sec. 80 HHC.
- Exemption of Air Travel Tax on air travel from and to the North East.
- Customs Duty on imported liquor reduced from 210% to 182%.
- TDS under Sec. 194-H reduced from 10% to 5%.
- Expenditure Tax on hotels to apply only to room charges henceforth : Earlier Expenditure Tax was charged on room charges as well as other services.

Department of Tourism, Government of India has approved 25 hotels having 975 rooms of various categories in North-Eastem Region.